

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	28.50	1.40	.00	29.90	1.40	.00	29.90	29.90
Personal Services	1,009,713	25,273	0	1,034,986	19,702	0	1,029,415	2,064,401
Operating Expenses	812,769	42,265	213,266	1,068,300	42,137	200,000	1,054,906	2,123,206
Equipment	119,891	22,375	0	142,266	22,375	0	142,266	284,532
Grants	810,609	869,746	0	1,680,355	68,608	0	879,217	2,559,572
Transfers	0	500,000	0	500,000	0	0	0	500,000
Debt Service	49,932	(20,804)	0	29,128	(49,932)	0	0	29,128
Total Costs	\$2,802,914	\$1,438,855	\$213,266	\$4,455,035	\$102,890	\$200,000	\$3,105,804	\$7,560,839
General Fund	1,505,531	215,617	100,000	1,821,148	(56,547)	100,000	1,548,984	3,370,132
State/Other Special	647,348	177,579	113,266	938,193	13,787	100,000	761,135	1,699,328
Federal Special	650,035	1,045,659	0	1,695,694	145,650	0	795,685	2,491,379
Total Funds	\$2,802,914	\$1,438,855	\$213,266	\$4,455,035	\$102,890	\$200,000	\$3,105,804	\$7,560,839

### Agency Description

The Library Commission, authorized in section 22-1-101, MCA, provides assistance and advice to all tax-supported libraries and to local governments that may wish to establish or improve libraries. In addition to administering state and federal funding to libraries throughout Montana, it: 1) maintains and operates the state library; 2) oversees the six federations of libraries; and 3) does policy development, long-range planning, and coordination of library service throughout the state. It is also responsible for the Natural Resources Information System (NRIS) and the Natural Heritage Program under Section 90-15-101, MCA.

### Summary of Legislative Action

Two large present law increases dominate the adjustments made by the legislature to the State Library Commission: 1) general fund and coal tax funded grants were increased to provide a biennial appropriation equal to the 1999 biennium biennial appropriation (federal grants were increased by \$190,000 over the 1999 biennium level); and 2) legislative contract authority of \$350,000 was added in the Natural Resource Information System (NRIS) appropriation. The legislature also added 1.40 FTE to the NRIS program. Only one new proposal was added to this agency: \$400,000 over the biennium (including \$200,000 general fund) to fund the electronic periodical database project in the State Library Operations Program.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 1998	Executive Budget Fiscal 2000	Legislative Budget Fiscal 2000	Leg – Exec. Difference Fiscal 2000	Executive Budget Fiscal 2001	Legislative Budget Fiscal 2001	Leg – Exec. Difference Fiscal 2001	Biennium Difference Fiscal 00-01
FTE	28.50	29.90	29.90		29.90	29.90		
Personal Services	1,009,713	1,034,986	1,034,986	0	1,029,415	1,029,415	0	0
Operating Expenses	812,769	1,080,745	1,068,300	(12,445)	1,080,756	1,054,906	(25,850)	(38,295)
Equipment	119,891	142,266	142,266	0	142,266	142,266	0	0
Grants	810,609	1,680,355	1,680,355	0	879,217	879,217	0	0
Transfers	0	500,000	500,000	0	0	0	0	0
Debt Service	49,932	29,128	29,128	0	0	0	0	0
Total Costs	\$2,802,914	\$4,467,480	\$4,455,035	(\$12,445)	\$3,131,654	\$3,105,804	(\$25,850)	(\$38,295)
General Fund	1,505,531	1,845,509	1,821,148	(24,361)	1,573,405	1,548,984	(24,421)	(48,782)
State/Other Special	647,348	926,087	938,193	12,106	762,365	761,135	(1,230)	10,876
Federal Special	650,035	1,695,884	1,695,694	(190)	795,884	795,685	(199)	(389)
Total Funds	\$2,802,914	\$4,467,480	\$4,455,035	(\$12,445)	\$3,131,654	\$3,105,804	(\$25,850)	(\$38,295)

### Executive Budget Comparison

The legislature accepted the Executive Budget for the Operations Program and included language for the new proposal for the periodical electronic database. The legislature did not accept an increase in the National Heritage Program maintenance contract (\$32,880). The legislature reduced the rates the Department of Administration could charge

agencies for fixed costs associated with data network services and building rent. For this agency the reduction over the biennium was \$17,572.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	24.50	.00	.00	24.50	.00	.00	24.50	24.50
Personal Services	794,727	9,163	0	803,890	5,179	0	799,906	1,603,796
Operating Expenses	516,777	24,302	213,266	754,345	22,621	200,000	739,398	1,493,743
Equipment	118,590	(241)	0	118,349	(241)	0	118,349	236,698
Grants	810,609	869,746	0	1,680,355	68,608	0	879,217	2,559,572
Debt Service	24,966	(10,402)	0	14,564	(24,966)	0	0	14,564
Total Costs	\$2,265,669	\$892,568	\$213,266	\$3,371,503	\$71,201	\$200,000	\$2,536,870	\$5,908,373
General Fund	1,472,711	203,159	100,000	1,775,870	(68,699)	100,000	1,504,012	3,279,882
State/Other Special	172,923	8,750	113,266	294,939	9,250	100,000	282,173	577,112
Federal Special	620,035	680,659	0	1,300,694	130,650	0	750,685	2,051,379
Total Funds	\$2,265,669	\$892,568	\$213,266	\$3,371,503	\$71,201	\$200,000	\$2,536,870	\$5,908,373

### Program Description

The State Library Operations Program provides: 1) information services to state government; 2) referral and back-up services to all libraries in the state; 3) direct library service to all blind and physically handicapped Montana residents; 4) staff consultation and services to individual libraries; and 5) direction to the six library federations. This program administers the state documents depository system, functions as a partial depository for federal government publications, and coordinates the development of library collections throughout the state. The program also manages the budgetary, personnel, and coordination functions of the State Library.

Table 1 State Library Operations Funding				
Fund Source	Fiscal 2000	Fiscal 2001	2001 Biennium Total	Percent of Biennium Total
<b>General Fund</b>				
Grants to Libraries (Biennial)	\$251,138	\$0	\$251,138	
LSCA Maintenance of Effort	82,000	82,000	164,000	
Inter-Library Loan Program	300,000	300,000	600,000	
Operations	1,028,168	1,022,012	2,050,180	
Library Automation System	14,564	0	14,564	
Subscription Database New Proposal	100,000	100,000	200,000	
Total General Fund	<u>\$1,775,870</u>	<u>\$1,504,012</u>	<u>\$3,279,882</u>	55.5%
<b>State Special Revenue</b>				
Coal Tax Grants	\$97,217	\$97,217	\$194,434	
Coal Tax Operations	69,085	69,085	138,170	
Coal Tax Sub.Database New Proposal	100,000	100,000	200,000	
E-Rate Discount	13,266	0	13,266	
Talking Book Library Donations	0	0	0	
Miscellaneous Donations	500	500	1,000	
State Agencies LaserCat/Ebhost	<u>14,871</u>	<u>15,371</u>	<u>30,242</u>	
Total SSR	<u>\$294,939</u>	<u>\$282,173</u>	<u>\$577,112</u>	9.8%
<b>Federal Special Revenue</b>				
Operations	\$350,694	\$350,685	\$701,379	
Grants - LSTA (Biennial)	950,000	0	950,000	
Grants - LSTA	0	400,000	400,000	
Total FSR	<u>\$1,300,694</u>	<u>\$750,685</u>	<u>\$2,051,379</u>	34.7%
Total Funds	\$3,371,503	\$2,536,870	\$5,908,373	100.0%

### Funding

Table 1 displays the funding for the State Library Operations program.

Present Law Adjustments		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				5,813			1,829
Inflation/Deflation				2,849			2,420
Fixed Costs				40,687			35,580
Total Statewide Adjustments				\$49,349			\$39,829
Present Law Adjustments							
1	Miscellaneous Costs Adjustments	.00	11,188	28,508	.00	1,000	17,368
2	Grants Adjustment	.00	130,538	814,072	.00	(120,600)	12,934
3	TBL Donation Account Eliminated	.00	0	(6,121)	.00	0	(6,121)
4	Group subscription services	.00	0	14,871	.00	0	15,371
6	Rate Reduction	.00	(7,921)	(8,111)	.00	(7,981)	(8,180)
Total PL Adjustments		.00	\$133,805	\$843,219	.00	(\$127,581)	\$31,372
Present Law Adjustments Total				\$892,568			\$71,201

### Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Miscellaneous Costs Adjustments - The legislature appropriated increases for: 1) per diem for commission members; 2) in and out-of-state travel costs for the Library Development Department (LDD); 3) two vehicle leases for consultants; 4) maintenance contracts with Keystone to support the automation systems for the Talking Book Library and with Armitech to support the main library automation system; 5) contracts with non-profit organizations that provide Braille products; 6) on-line search services; and 7) workers' compensation insurance costs for volunteers. The legislature also approved a decrease in principle and interest costs associated with the automation system that serves the library's major processes (i.e. cataloging, bar coding, check-in-out, filing).

DP 2 - Grants Adjustment - The legislature approved total grants of \$2.56 million. The present law adjustment represents the biennial addition over the base, and includes general fund, federal funds, and state special revenue. State coal tax and general fund grants are budgeted to continue at levels authorized by the 1997 legislature. The federal fund increase is \$190,000 more for the 2001 biennium than the amount appropriated by the 1997 legislature.

DP 3 - TBL Donation Account Eliminated - The legislature approved a reduction in operational costs that have been supported by this state special revenue. Donations for the talking book library (TBL) are going into an Expendable Trust account and are being spent as non-budgeted funds. Non-budgeted funds do not require an appropriation.

DP 4 - Group subscription services - The legislature approved this state special revenue increase to fund group subscription services. In fiscal 1999, a project was started in which libraries (all types) could enter into an agreement with the State Library for volume pricing for LASERCAT and EPHOST subscriptions. These subscriptions are for access to reference material information. By volume purchasing, all participants (16 state entities) could receive the subscription at a lower price than they paid in the past.

DP 6 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.

New Proposals		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
1	E-Rate Discount	.00	0	13,266	.00	0	0
5	Periodical Electronic Database-OTO	.00	100,000	200,000	.00	100,000	200,000
Total New Proposals		.00	\$100,000	\$213,266	.00	\$100,000	\$200,000

### New Proposals

**DP 1 - E-Rate Discount** - The 1997 legislature provided a one-time only appropriation to the library to provide internet services to interested public libraries. This service qualified for an E-rate discount, which is a federal government program providing discounts to schools and libraries for technology advances. The legislature provided authority for the amount received in fiscal 2000 as a one-time only appropriation to provide on-line encyclopedia services to libraries.

**DP 5 - Periodical Electronic Database-OTO** - The legislature appropriated \$200,000 each year of the 2001 biennium to fund the electronic periodical database project. The funding is \$100,000 general fund and \$100,000 state special revenue from coal severance tax collections. Each participating library would be required to pay part of the annual cost based on a sliding scale. The local library input would be approximately \$150,000 each year in the 2001 biennium. The legislature included language, which would allow local libraries to either participate in the project or use their share of the funding to purchase periodicals or books locally. The legislature restricted this appropriation to this project and designated the appropriation as one-time-only.

### Language

"Item 1[State Library Operations] includes biennial appropriations for \$251,138 in general fund money and \$950,000 in federal funds for grants to local libraries.

Item 1b [Periodical Electronic Database] is provided to give local libraries the option to:

- (1) use their share of the funding, along with a local match, to participate in a statewide periodical electronic database;
- or
- (2) use their share of the funding to purchase periodicals or books locally.

Funding to local libraries is based upon the formula used by the state library commission to identify the cost for each library to participate. The state library commission shall provide funds to participating libraries in accordance with 22-1-103."

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	4.00	1.40	.00	5.40	1.40	.00	5.40	5.40
Personal Services	214,986	16,110	0	231,096	14,523	0	229,509	460,605
Operating Expenses	295,992	17,963	0	313,955	19,516	0	315,508	629,463
Equipment	1,301	22,616	0	23,917	22,616	0	23,917	47,834
Transfers	0	500,000	0	500,000	0	0	0	500,000
Debt Service	24,966	(10,402)	0	14,564	(24,966)	0	0	14,564
Total Costs	\$537,245	\$546,287	\$0	\$1,083,532	\$31,689	\$0	\$568,934	\$1,652,466
General Fund	32,820	12,458	0	45,278	12,152	0	44,972	90,250
State/Other Special	474,425	168,829	0	643,254	4,537	0	478,962	1,122,216
Federal Special	30,000	365,000	0	395,000	15,000	0	45,000	440,000
Total Funds	\$537,245	\$546,287	\$0	\$1,083,532	\$31,689	\$0	\$568,934	\$1,652,466

### Program Description

The Natural Resources Information Services Program (NRIS) manages the state's natural resources data. It provides a standard system for the acquisition, storage, retrieval, and management of this data, and coordinates and consults with other state agencies on the geographic information system and the river study. The program also administers the Montana Natural Heritage Program, a database on rare or exemplary plants, animals, communities, and geological features.

### Funding

The legislature funds the NRIS with 5.5 percent general fund, 67.9 percent state special revenue, and 26.6 percent federal funds. State special revenue is from the renewable resources and reclamation and development accounts; and from the Departments of Fish, Wildlife and Parks, Transportation, and Environmental Quality (DEQ). These revenues are designed to generally represent support for ongoing services to those agencies and, with the general fund and a small federal grant from DEQ, provide a stable core of funding. Of the state special revenue, \$150,000 is legislative contract authority (LCA). Of the federal funding, \$350,000 is LCA. The LCA represents contracts that NRIS may receive for specific services.

Table 2 provides a breakdown of funding for the 2001 biennium.

Table 2 Natural Resource Information System Program 2001 Biennium Funding				
	General Fund	State Special	Federal/Other	Total Funding
<b>NRIS Core</b>				
General Fund	\$90,250			\$90,250
State Special Revenue				
Fish, Wildlife, and Parks		115,000		115,000
Transportation		200,000		200,000
Environmental Quality		10,000		10,000
Renewable Resources (RIT)		343,349		343,349
Reclamation and Development (RIT)		303,867		303,867
Federal Revenue				
NRIS Federal Grants - DEQ	0	0	90,000	90,000
Total Core Funding	\$90,250	\$972,216	\$90,000	\$1,152,466
<b>Legislative Contract Authority (LCA)</b>				
Private		150,000		150,000
Federal	0	0	350,000	350,000
Total LCA	\$0	\$150,000	\$350,000	\$500,000
Total Funding	\$90,250	\$1,122,216	\$440,000	\$1,652,466
Percent Funding	5.5%	67.9%	26.6%	

Present Law Adjustments		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				(44,809)			(45,983)
Inflation/Deflation				1,334			1,108
Fixed Costs				10,289			12,138
Total Statewide Adjustments				(\$33,186)			(\$32,737)
Present Law Adjustments							
1	Change from Performance Base Budget	1.40	0	568,419	1.40	0	68,006
2	Adjustments to base	.00	22,616	12,214	.00	22,616	(2,350)
3	Rate Reduction	.00	0	(1,160)	.00	0	(1,230)
Total PL Adjustments		1.40	\$22,616	\$579,473	1.40	\$22,616	\$64,426
Present Law Adjustments Total				\$546,287			\$31,689

### Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Change from Performance Base Budget - The legislature approved appropriations to add 1.4 FTE to the NRIS program. This 1.4 FTE includes: 1) 0.65 FTE grade 14 information system support specialist; 2) 0.65 FTE grade 17 information system support specialist; and 3) 0.10 FTE grade 15 program analyst. Funding for this 1.4 FTE is \$60,919 in fiscal 2000 and \$60,506 in fiscal 2001. The funding source is state special revenue from renewable resources grants and reclamation and development grants. The legislature also approved appropriations to increase the federal funding for maintenance contracts by \$7,500 each year; and c) for legislative contract authority (LCA) of \$500,000. Funding for the LCA is private and federal funding. The LCA was appropriated as a biennial appropriation. The legislature provided language for the use of LCA.

DP 2 - Adjustments to base - The legislature added \$22,616 general fund in each year of the biennium for the replacement of multi-user computers. Additionally, the legislature decreased state special revenue (SSR) by \$10,402 in fiscal 2000 and \$24,966 in fiscal 2001. These SSR reductions (renewable resources and reclamation and development funds) are the principle and interest payments on the program's automation package, which will be paid off in fiscal 2000.

DP 3 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.

### Language

“Item 2a [Legislative Contract Authority] includes \$500,000 for legislative contract authority as a biennial appropriation, subject to the following provisions:

(1) Legislative contract authority applies only to state special revenue funds received from the Montana University System, federal funds, and private funds.

(2) Legislative contract authority expenditures must be reported on the state accounting system. The records must be separate from present law operations. In preparing the 2003 biennium budget for legislative consideration, the Office of Budget and Program Planning may not include the expenditures from this item in the present law base.

(3) A report must be submitted by the State Library Commission to the Legislative Fiscal Division following the end of each fiscal year of the biennium. The report must include a listing of projects with the related amount of expenditures for each project.”